

VERMONT PUBLIC POWER SUPPLY AUTHORITY

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August 27, 2010

Susan M. Hudson, Clerk
Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

re: Dockets 7523 and 7533
Comments on FERC *California Public Utilities Commission* decision

Dear Mrs. Hudson:

Please consider this letter as the comments of the Group of Municipal Electric Utilities (GMEU)* in accordance with the schedule established following the submission of the Department of Public Service's August 3, 2010 letter on the above subject.

As noted by Renewable Energy Vermont in its comments filed last week, the *California Public Utilities Commission* decision does not address or consider Vermont's standard offer program, and GMEU is not aware of any FERC challenges to that program. Renewable Energy Vermont also correctly notes that the Board does not appear to have authority to resolve federal preemption claims. See *Westover v. Barton*, 149 Vt. 356, 357, 543 A.2d 698, 699 (1988). It is also GMEU's understanding, however, that the *California Public Utilities* decision is the subject of a pending rehearing request at FERC. Given the relationship of the standard offer program to the power procurement and integrated resource planning responsibilities of the state's distribution utilities, GMEU respectfully suggests that the Board invite additional comments shortly after the rehearing request is addressed, so that those comments are addressed to a final document. Any period for such comments should be a short one, so that any uncertainties created for standard offer developers, utilities and ratepayers by the FERC decision can be minimized.

Thank you for this opportunity to comment.

Very truly yours,



David John Mullett

cc: service list

* Barton Village, Inc. Electric Department, Village of Enosburg Falls Water & Light Department, Town of Hardwick Electric Department, Village of Hyde Park, Inc. Electric Department, Village of Jacksonville Electric Company, Village of Johnson, Inc. Water & Light Department, Village of Ludlow Electric Light Department, Village of Lyndonville Electric Department, Village of Morrisville Water & Light Department; Northfield Electric Department, Village of Orleans, Inc. Electric Department, Town of Readsboro Electric Light Department, Swanton Village, Inc. Electric Department